COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

| APPLICATION OF SOUTHEAST DAVIESS |) | |
|----------------------------------|--------|----------------|
| COUNTY WATER DISTRICT FOR A |) CASE | NO. 2005-00176 |
| PURCHASED WATER ADJUSTMENT |) | |

ORDER

On April 29, 2005, Southeast Daviess County Water District ("Southeast Daviess") applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

- Southeast Daviess purchases water from Owensboro Municipal Utilities ("Owensboro").
- 2. Owensboro notified Southeast Daviess that, effective with consumption used after June 1, 2005, Owensboro's wholesale water rate to Southeast Daviess would increase from \$1.262 per 1,000 gallons to \$1.36 per 1,000 gallons.
- 3. During the 12 months ending January 2005, Southeast Daviess purchased 562,687,184 gallons from Owensboro and sold 522,017,340. The increase in the cost of purchased water is \$55,143, resulting in a purchased water adjustment factor of \$0.11 per 1,000 gallons.
- 4. The purchased water adjustment of \$0.11 per 1,000 gallons is fair, just, and reasonable and should be approved.

IT IS THEREFORE ORDERED that:

- 1. Southeast Daviess's proposed rates are approved.
- 2. The purchased water adjustment of \$0.11 per 1,000 gallons and the rates in Appendix A, attached hereto and incorporated herein, are fair, just, and reasonable and are approved for water service rendered on and after June 1, 2005.
- 3. The proposed tariff sheets filed by Southeast Daviess are accepted as filed.

Done at Frankfort, Kentucky, this 18th day of May, 2005.

By the Commission

ATTEST:

Kobert a Grant for the Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2005-00176 DATED May 18, 2005

The following rates and charges are prescribed for the customers in the area served by Southeast Daviess County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

| General S | <u>ervice</u> | | | |
|---------------------------------------|---------------|---------|-------------------|-------------------|
| First | 2,000 | gallons | \$ 7.36 | Minimum bill |
| Next | 8,000 | gallons | 2.17 | per 1,000 gallons |
| Next | 10,000 | gallons | 2.06 | per 1,000 gallons |
| Next | 20,000 | gallons | 1.95 | per 1,000 gallons |
| Over | 40,000 | gallons | 1.86 | per 1,000 gallons |
| | | | | |
| | | | | |
| Wholesale | <u> </u> | | | |
| City of Whitesville | | 1.61 | per 1,000 gallons | |
| East Daviess County Water Association | | | 1.61 | per 1,000 gallons |